

**IN THE UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF GEORGIA**

IN RE:

TERI G. GALARDI,

Debtor.

CHAPTER 11

CASE NO. 22-50035-JPS

**POWER FINANCIAL CREDIT UNION'S CAUTIONARY  
AND PRELIMINARY OBJECTION TO CONFIRMATION**

Power Financial Credit Union ("Power Financial"), by and through undersigned counsel, files this Cautionary and preliminary Objection to **JOINT CHAPTER 11 PLAN OF REORGANIZATION OF TERI G. GALARDI AND THE COMMITTEE OF UNSECURED CREDITORS** [D.E. 299] (the "Plan"), and states as follows:

1. Power Financial has a loan to a non-debtor, Jack E. Galardi, LLC.
2. The Debtor is one of two guarantors of the loan. The other guarantor is a non-debtor.
3. Though not entirely clear, and though the Plan claims that Power Financial's claim is unimpaired, it appears that the Power Financial's claim is impaired as the Plan attempts to add cure and notice provisions, and potentially other provisions that do not exist under the applicable loan documents. Such alteration of Power Financial rights constitutes renders its claim impaired.
4. More importantly, as the Court has previously recognized, it has no jurisdiction over non-debtor affiliates of the Debtor such as Jack E. Galardi, LLC. Thus, any attempts to alter the rights and remedies of Power Financial, a non-debtor, over Jack E. Galardi, LLC, also a non-debtor are impermissible and would render the plan unconfirmable as to Power Financial.
5. For the same reason, no stays or injunctions under the Plan or Section 362 of the

Bankruptcy Code should be applicable as to Power Financial and its rights and remedies under its loan documents and applicable law. This should be made explicit with an affirmative and unequivocal statement to this effect notwithstanding anything in the plan, the confirmation order, or any other document to the contrary.

6. The Plan does state that it is not modifying the Power Financial Loan Documents except as expressly set forth in the Plan. This begs the question. To the extent the Debtor and the Committee agree, as has been discussed with undersigned counsel, that it does not seek to modify or alter Power Financial's loan documents and its rights and remedies, there should be an affirmative and unequivocal statement making this clear notwithstanding anything to the contrary in the Plan, the confirmation order, or any other document.

7. Power Financial is also concerned that the Plan purports to set forth the amount of loan payments and other information relating to the Power Financial Loan. However, that information is not accurate and could lead to unnecessary confusion. For example, the loan payment amounts are significantly understated. Such inaccurate information should be taken out of the Plan. Indeed, if the Plan is going to be modified to make clear what has been set forth above, then there is no need to include this information.

8. Power Financial, through counsel, has discussed these issues with Committee counsel and Debtor's counsel and has been assured they are working to address these issues to Power Financial's satisfaction. This objection has been filed in an abundance of caution in the event the issues are not satisfactorily resolved. Moreover, they have agreed that Power Financial should have an extension to file an amended objection to confirmation setting forth a more detailed objection and potentially additional grounds no later than two business days before the confirmation hearing should these issues not be resolved.

Dated: March 31, 2023

Respectfully submitted,

/s/ James D. Silver

James D. Silver

Kelley Kronenberg

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**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that on March 31, 2023, a true and correct copy of the foregoing *Cautionary and Preliminary Objection to Confirmation* has been furnished via transmission of Notice of Electronic Filing generated by CM/ECF on all counsel of record and pro se parties authorized to receive electronically Notices of Electronic Filing in this case.

/s/ James D. Silver

James D. Silver